



JOINT MUNITIONS & LETHALITY LIFE CYCLE MANAGEMENT COMMAND

**Office
of
Small Business Programs
2007**

Topics to be covered:

- **Small Business Administration and Small Business Office**
- Coordination Forms (DD Form 2579...)
- Define “Small”
- Categories of Small Businesses
- Order of Precedence
- Subcontracting Plans
- Command Small Business Targets

Small Business Administration (SBA) & LCMC's Office of Small Business Programs (OSBP)

- SBA is a separate agency
- LCMC OSBP is part of
Department of Defense/Army
- SBA-PCR
**(Procurement Center
Representatives)**
- OSBP's Outlook Address:
»Small Business Office

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SBA/OSBP Coordination Forms

- **DD Form 2579**
- **Purpose:**
 - Present Acquisition Strategy
 - Give Past History
 - Coordination with OSBP/SBA
- **Ask for help from the OSBP Staff**
 - Eric Bankit x43068
 - Gerald Cervino x43488

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What Determines “small”

?

- Only SBA **(First Criteria)** determines size.
- “A business entity organized for profit, with a place of business **located in the United States, and which operates primarily within the United States or which makes a significant contribution to the U. S. economy** through the payment of taxes or use of American products, material or labor”

What Determines “small” ?

(Second Criteria)

- North American Industry Classification System Code (NAICS Code)
- **FAR 19.102**
<http://www.sba.gov/services/>
- Manufacturers = Number
Employee Services = Annual
Gross Sales

332 -- Fabricated Metal Product Manufacturing

<u>NAICS</u>	<u>Description</u>	
<u>Size</u>		
332116	Metal Stampings	500
332813	Electroplating, Plating, Polishing, Anodizing, and Coloring	500
332992	Small Arms Ammunition Manufacturing	
1,000		
332993	Ammunition (except Small Arms) Manufacturing	
1,500		

541 - Professional, Scientific & Technical Services

<u>NAICS</u>	<u>Description</u>	<u>Size</u>
541330	Engineering Services EXCEPT Military and Aerospace Equipment and Military Weapons	\$ 4.0M
\$23.0M		
	EXCEPT Marine Engineering and Naval Architecture	
		\$13.5M
541710	Engineering Services R&D in the Physical. Engr & Life Sciences	500 Empl

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Small Business Categories

- Small Business (**SB**)
- **8(a)** Certified Small Business
- HUB-Zone Small Business (**HUB-Zone**)
- Small Disadvantaged Business (**SDB**)
- Woman-Owned Small Business (**WOSB**)
- Service-Disabled Veteran-Owned Small Business / Veteran-Owned Small Business (**SDVOSB/VOSB**)

8(a) Business Development Program

Requirements for 8(a) Status:

- Small Business and U.S. Citizen *and*
- 51% owned & controlled by Socially & Economically Disadvantaged Individuals *and*
- Certified by SBA (9 years) - not renewable

Benefits:

- Sole Source Contracts (<\$3.5M Services, <\$5.5M Mfg)
- Restricted Competition (>\$3.5M/\$5.5M, 2 or more)

Historically Underutilized Business Zone Empowerment Contracting Program

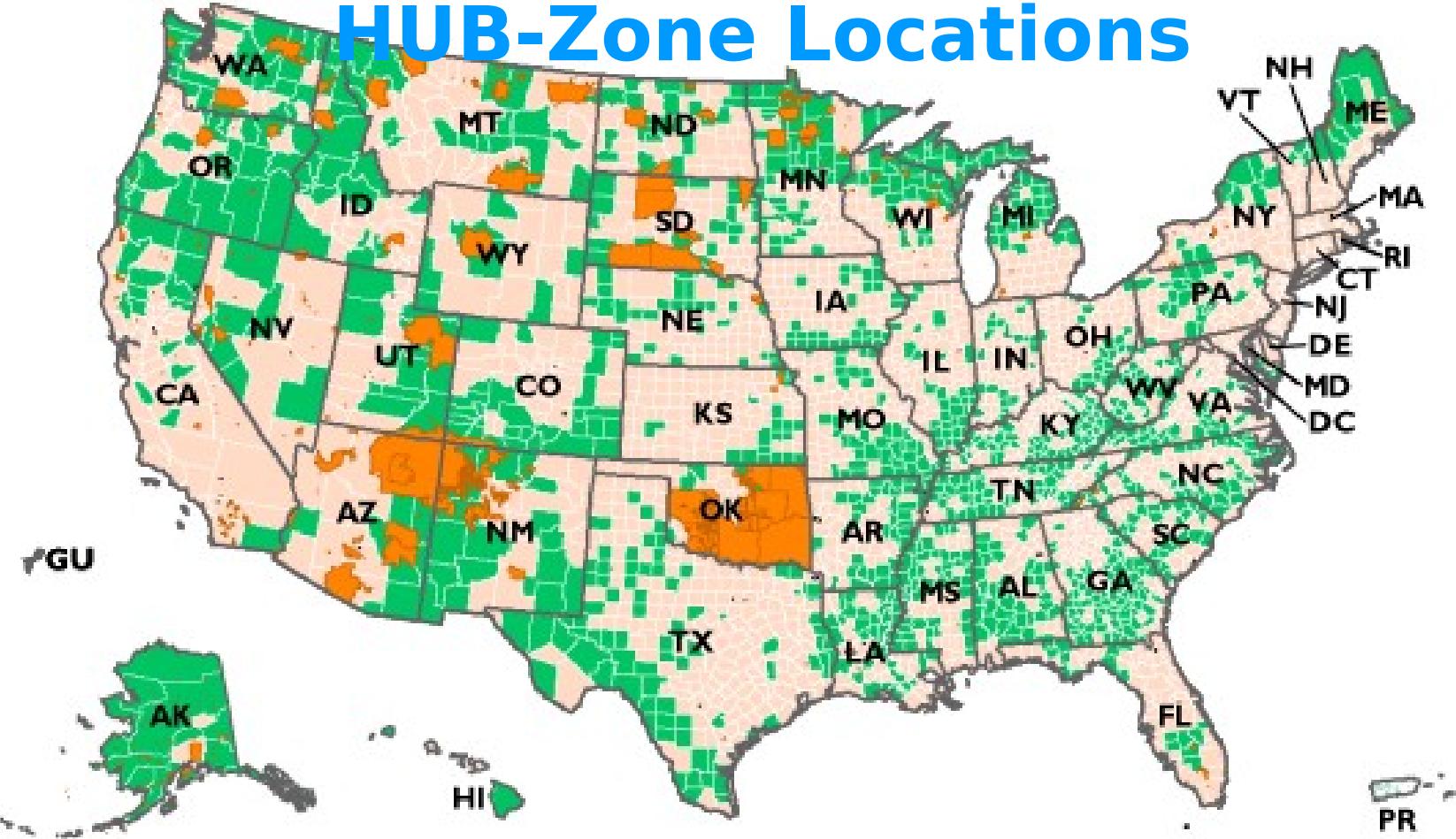
Requirements for HUB-Zone Certification by SBA:

- Small Business *and*
- Located in a HUB-Zone,
<http://www.sba.gov/hubzone>
and
- 51% Owned & Controlled by U.S. Citizens
and
- At least 35% employees reside in HUBZones
- Certified for 3 years - renewable

Benefits:

- Restricted Competition (Any \$ amount, 2 or more)

HUB-Zone Locations



Not Qualified
Indian Country

Qualified

***TO DETERMINE IF YOU ARE IN A HUB-ZONE
AREA***

CLICK THE LINK BELOW

Small Disadvantaged Business

Requirements for SDB Certification by SBA:

- Small Business, ***and***
- U.S. Citizen, ***and***
- 51% owned & controlled by Socially & Economically Disadvantaged Individuals, ***and***
- certified as SDB by SBA (3 year cert - renewable)

Benefits:

- Subcontracting Goal
- 10% Price Break on non-DOD Buys
- 8(a) firms are SDBs.

Woman-Owned Small Business

- Small business concern, ***and***
- At least 51 percent owned by one or more women, ***and***
- Whose management and daily business operations are controlled by one or more women.
- Self certification

Benefit:

- Subcontracting Goal, but no preference for Government buys

Service-Disabled Veteran-Owned Small Business &

- Small business concern, **and**
- At least 51 percent owned by service-disabled veterans / veterans, **and**
- Whose management and daily business operations are controlled by vets.
- Self certification

Benefit:

- SDVOSB set aside:
 - Competitive
 - Sole source allowed for <\$5.5M Mfg/<\$3M Svc w/J&A
- Subcontracting Goals for SDVOSB & VOSB

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Order of Precedence for Contracting

1. **8(a) Set Aside** (FAR Part 19) with preference for 8(a)/HUB-Zone firms

HUB-Zone Set Aside

(Competitive, then Sole Source)

Service Disabled Veteran Owned Small

Business Set Aside

(Competitive, then Sole Source)

2. **Small Business Set Aside (SBSA)**

3. **Partial SBSA**

4. **Full & Open Competition**

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Subcontracting Plans

- **Required of Large Business Primes, >\$550K**
- **Types of Plans:**
 - Individual (one contract)
 - Master (3 yrs - no goals),
 - Commercial (company-wide for contractors selling commercial items)
 - Comprehensive Plan (enterprise-wide, test program)
- **SubK % Goals required for: SB, SDB, WOSB, VOSB, SDVOSB & HUBZone**
- Ref FAR 52.219-9, OFPP 99-1, DFARS 219.705-4

Subcontracting Plans

(continued)

- Prior to award, SubK Plans are reviewed by SBO & SBA.
- Federal Standards for Goals (% of SubK \$):

23% SB
3% VOSB
Zone

5% SDB
3% SDVOSB

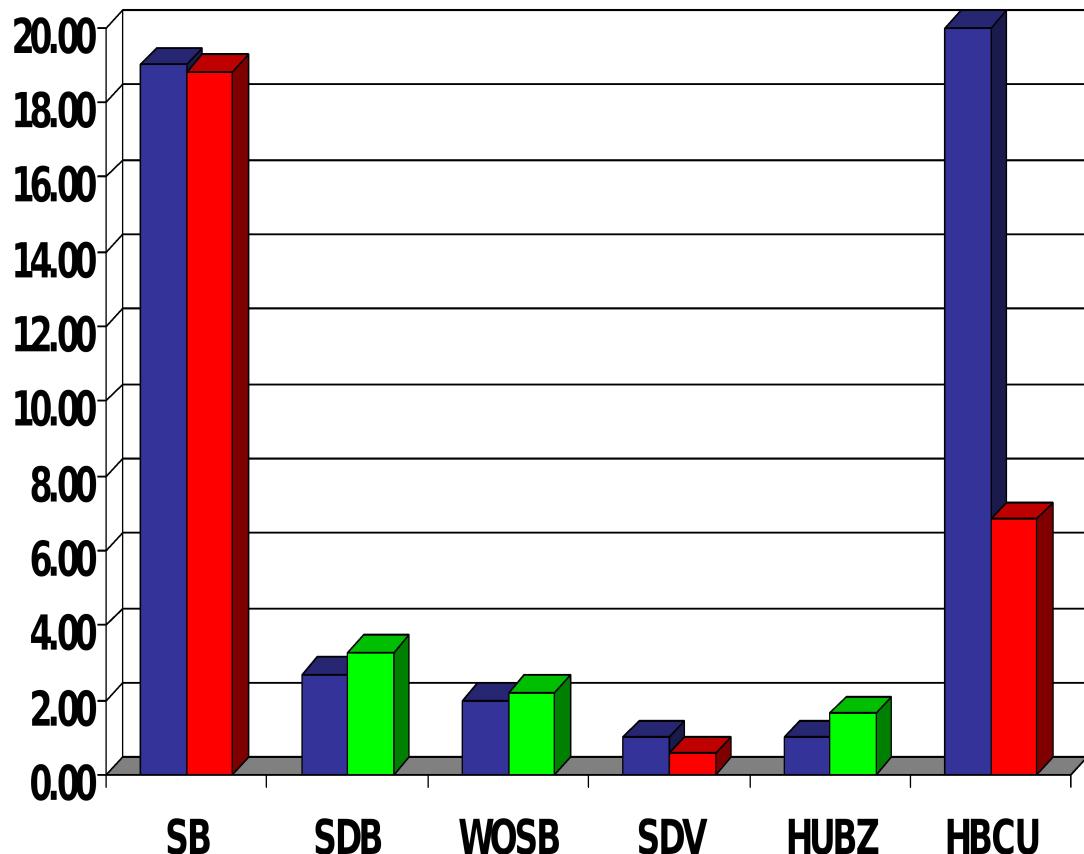
5% WOSB
3% HUB-

- DFARS 219.705-4 , the PCO is required to "challenge any subcontracting plan that does not contain positive goals ... **A small disadvantaged business goal of less than five percent must be approved one level above the contracting officer.**"

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FY 06 PERFORMANCE



**TOTAL OBLIGATED
in FY 06 = \$2.2B**

**Small
Business=\$326M
18.8% of Goal of
19.0%**

**Small
Disadvantaged=\$5
7M 3.28% of Goal
of 2.7%**

**Women
Owned=\$38M
2.19% of Goal of
2.0%**

**Service Disabled
Veteran
Owned=\$9.8M
0.57% of Goal of
1.0%**



JOINT MUNITIONS & LETHALITY LIFE CYCLE MANAGEMENT COMMAND

Office of Small Business Programs (AMSML-AQ-SB)

Eric Bankit

Gerald Cervino

Mary Rojas

Small Business Advisor, X3068

SB Specialist, X3488

Admin Officer, X4106

FAX: (973) 724-3002

Handy Small Business Web Sites

How Do I Find a Small Business? Who Can Help Me?

- **SBA's Dynamic Small Business Search Database -**
http://dsbs.sba.gov/pro-net/dsp_dsbs.cfm
- **SBA's Definition of SBs and Size Standards -**
<http://www.sba.gov/size/indexguide.html#affiliates>
- **FAR Part 19 - Small Business Programs -**
<http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/far/19.htm>
- **Central Contractor Registration (CCR) Database -**
<http://www.bpn.gov/CCRINQ/scripts/search.asp>

Dynamic Small Business Search

Key Search Elements



- **Geographical Location**
- **Type Of Business**
 - 8(a)
 - HubZone
 - SDVOSB
- **NAICS Code(s): 541330, 541710**
- **Key Words: Research, Scientific, Military, IT, R&D, Composite, Armor, etc.**
- **General Nature of Business**

Dynamic Small Business Search

Key Profile Features

- Year Established
- Avg. Number of Employees
- Avg. Annual Gross Revenue
- 8(a) Certification Date / Exit Date
- NAICS Codes
 - Primary & Secondary
- Narrative and Key Words
- Performance History (References)